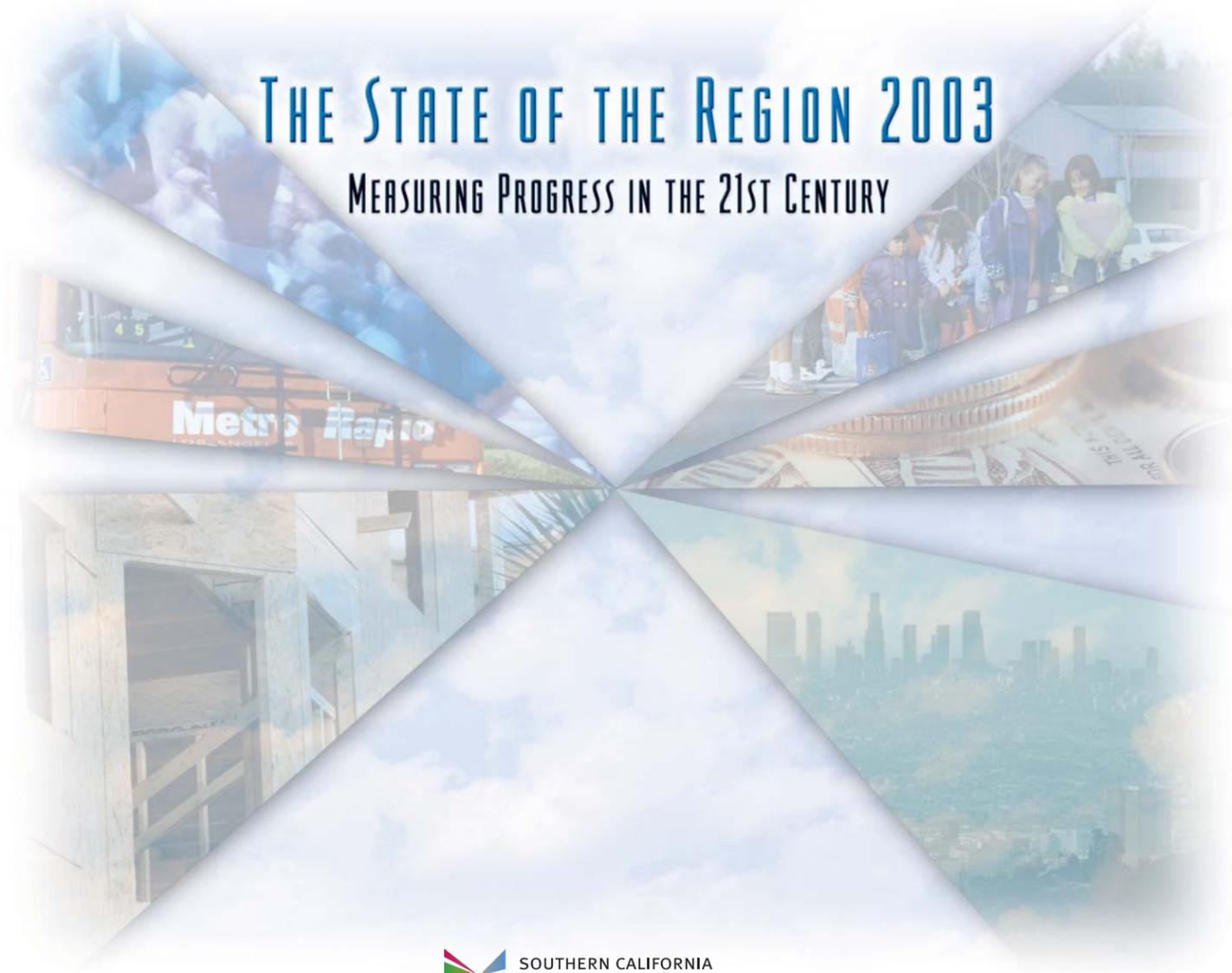


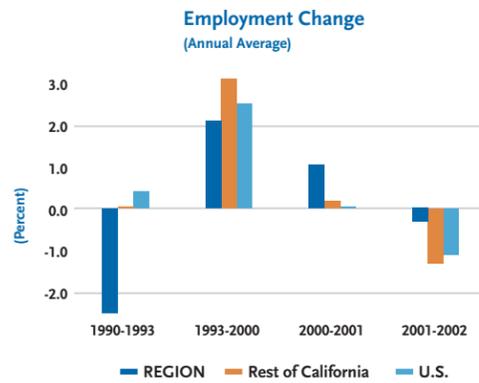
# THE STATE OF THE REGION 2003

MEASURING PROGRESS IN THE 21ST CENTURY

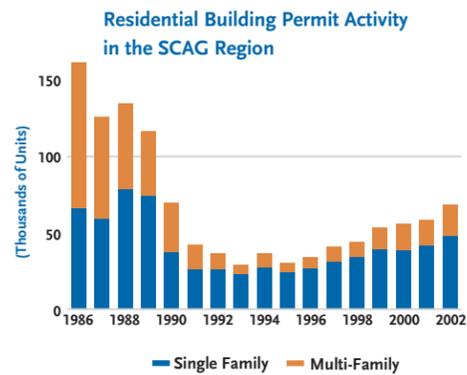


# THE STATE OF THE REGION 2003

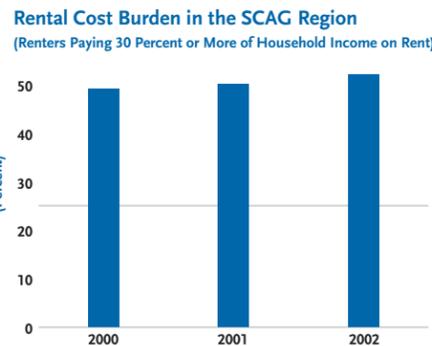
Grade: **A: excellent** • **B: moderately well** • **C: average** • **D: potential failure** • **F: failing**



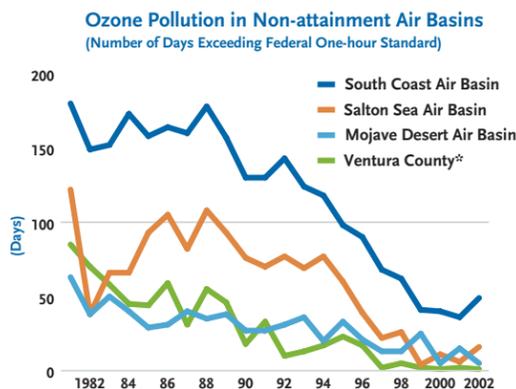
Source: California Employment Development Department and Council of Economic Advisers



Source: Construction Industry Research Board



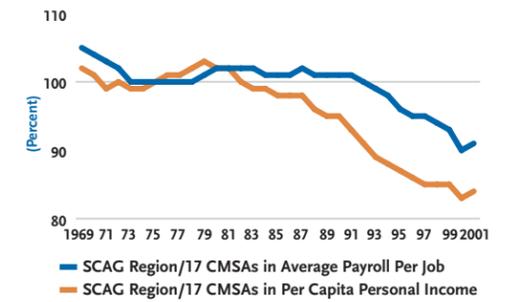
Source: U.S. Census Bureau



\* Ventura County is a part of the South Central Coast Air Basin

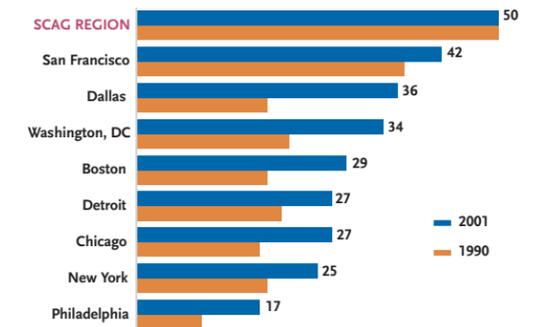
Source: California Air Resources Board and South Coast Air Quality Management District

Average Payroll Per Job and Per Capita Personal Income (SCAG Region vs. 17 Largest Metropolitan Regions)



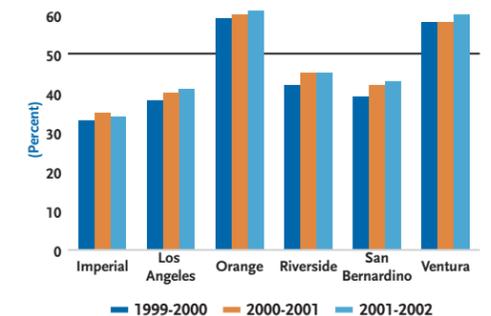
Source: U.S. Bureau of Economic Analysis

Annual Hours of Delay per Person by Metropolitan Area



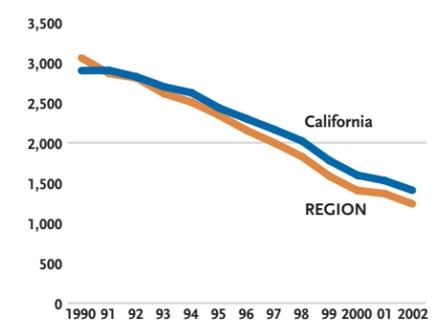
Source: Texas Transportation Institute

Math Test Score for 8th Grade (Percent above National Median Score)



\* Stanford 9 Test. Performed better than the nation if more than 50% of the students were above the national median. Source: California Department of Education

Juvenile Felony Arrests (Per 100,000 Population Aged 10-17)



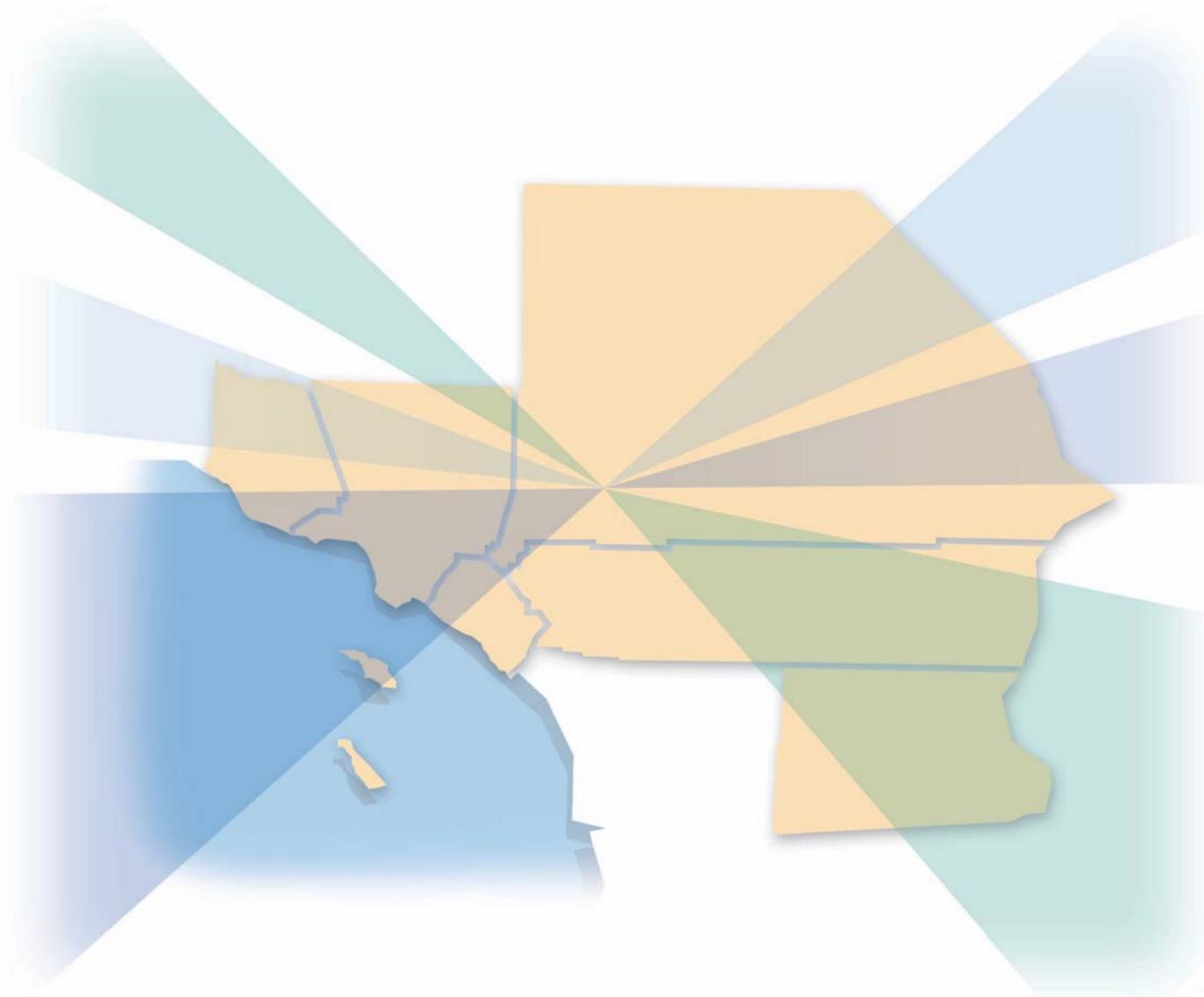
Source: California Department of Justice

## Sector

## Condition

## Grade

Sector	Condition	1998	1999	2000	2001	2002
<b>Employment</b>	During 2002, the region lost 22,000 jobs, the first loss since the end of the last recession in 1993. The unemployment rate also increased from 5.1 to 6.1 percent in the region during the same period, slightly higher than the national average at 5.8 percent. Job losses in the region were mostly among the manufacturing and information sectors. (The information sector includes communications, publishing, motion picture production and internet service providers). On the other hand, government and health care sectors were the two leading job generators, including additional local public school teachers. Unlike the recession in the early 1990s, job losses for the region in 2002 were less severe than that of the other large metropolitan regions in the nation. The significant population increase of 330,000 in 2002 contributed to the job gains in sectors such as retail trade and education. Average payroll per job in the region dropped from 101 percent of the average of the 17 largest metropolitan regions in 1990 to 91 percent in 2001 (most current data available).	B <sup>-</sup>	A <sup>-</sup>	B <sup>+</sup>	B	B <sup>-</sup>
<b>Income</b>	Real personal income per capita also declined in 2001 for the first time since 1993 and most likely continued declining through 2002, considering the job loss amid significant population increase. There was no significant change in the region's median household income as well as poverty rate between 2001 and 2002. As to the decline in per capita income in 2001, the region did not perform as bad as the other large metropolitan regions, particularly those depending significantly on high tech sectors. However, the extent was too modest to change the overall economic standing of our region among the major metropolitan regions. In 2001, per capita personal income in the region was only 84 percent of the average of the 17 largest metropolitan regions, a significant reduction from 95 percent in 1990. Among the 17 largest metropolitan regions, the SCAG region continued to rank 16th in per capita income in 2001 and most likely remained 16th in 2002. In addition, there were persistent disparities in household income among the different racial and ethnic groups in the region.	C <sup>+</sup>	C <sup>+</sup>	C	C	C <sup>-</sup>
<b>Housing</b>	In 2002, the region experienced the largest number of building permits issued (68,000 units) as well as the largest year-to-year increase (10,000 units) since 1990. In addition, the homeownership rate, though well below the national average, increased slightly following the national trend due to low mortgage rates. Nevertheless, housing affordability worsened due to the sharp increases in housing prices, in light of the lack of growth in household income. In 2002, every county experienced lower housing affordability than the nation and the gaps have been widening since 1997. While more than half of the nation's households could afford a median-priced home in 2002, less than a third of the region's households could achieve the same. Housing affordability also worsened for renters. With no growth in household income and a continued increase in rents, the rental cost burden has been rising. In 2002, among the approximately 7.2 million renters in the region, 52 percent or more than 3.6 million renters spent 30 percent or more of their incomes on rent. Among the nine largest metropolitan regions in the nation, Southern California continued to have the highest percentage of owner and rental households spending 30 percent or more of household income on housing.	C <sup>-</sup>	C <sup>-</sup>	C <sup>-</sup>	D <sup>+</sup>	D <sup>+</sup>
<b>Mobility</b>	Since 1990, the region has been consistently ranked as the most congested metropolitan region in the nation. For example, residents in the region incurred a total of 50 hours of delay per person due to traffic congestion in 2001, the highest among the metropolitan regions in the nation. Since 1990, annual delay per person in the Inland Empire has increased by 70 percent (from 20 to 34 hours) while delay per person in the three coastal counties has been more stable. Between 2000 and 2002, the approximately 6-percent increase in total transit boardings was higher than the population growth of 4 percent. Contrary to the public policy objective, there was a slight decline in the share of carpools and an increase in drive-alone commuters among work trips between 2000 and 2002. Among the nine largest metropolitan regions, Southern California was the only region where the percentage of households who owned at least one vehicle decreased since 1990. Highway fatality rates, though declining gradually, were still significantly higher than the national average for urban areas.	D	D	D	D	D <sup>-</sup>
<b>Air Quality</b>	There were adverse trends in the region's air quality, particularly for ozone pollution, contrary to the steady trend of improvements made during the last two decades. In 2002, ozone pollution worsened in the South Coast and Mojave Desert Air Basins. In the most populous South Coast Air Basin with more than 15 million residents, the number of days exceeding the federal one-hour ozone standard increased from 36 to 49 days between 2001 and 2002. There were also more days with health advisories. This is a troubling reversal from the trend of improvements since 1980. In particular, Santa Clarita Valley alone surpassed the federal standard 32 days in 2002, more than any other area in the country. (Data for 2003 indicated much worse ozone pollution than for 2002.) As to the PM10 pollution, while there were some reductions in the number of days exceeding the federal 24-hour standard in the South Coast and Salton Sea Air Basins, both continued to exceed the federal annual average standard. In 2002, the South Coast Air Basin finally met federal attainment standards for carbon monoxide.	C	B <sup>-</sup>	B	B <sup>-</sup>	C
<b>Education</b>	In 2002, the 8th graders (graduating class of middle schools) in the region continued to perform below the national median in reading and math test scores except in Orange and Ventura counties. There were no noticeable improvements regarding high school dropout rates. In 2002, every county in the region had less than 40 percent of high school graduates complete courses required for University of California or California State University entrance. Among the different racial and ethnic groups, there are significant disparities in educational attainment. For example, about 43 percent of the Asian adults in the region achieved at least a Bachelor's degree compared to 33 percent for non-Hispanic White, 18 percent for African American and 7 percent for Hispanic adults. Among the nine largest metropolitan regions, the SCAG region remained in last place in the percentage of adults with at least a high school diploma, and 2nd to last for adults with a minimum of a Bachelor's degree.	D	D	D	D	D
<b>Safety</b>	Violent crime rates in the region declined slightly by 3 percent from 2001 to 2002. Within the region, violent crime rates declined in every county in 2002, particularly for Imperial County (-9 percent) and Orange County (-6 percent). Violent crime rates in Los Angeles County, although reduced by more than half since 1990, were still among the highest in large metropolitan counties in the nation. Juvenile felony arrest rates for youths aged 10 to 17 have continuously declined in the region since 1990. In 2002, after declining by more than 9 percent from 2001, the juvenile felony arrest rate was about 40 percent of the 1990 level. Beginning in 1992, the region has had lower juvenile felony arrest rates compared with the rest of the state. More than 80 percent of the total juvenile arrests were males. Finally, the number of hate crime events and victims in the region declined by almost 30 percent in 2002 from 2001.	B	B <sup>+</sup>	B <sup>+</sup>	B	B



The Benchmarks Task Force, comprised of members from the public and private sectors and academia, rated the region's condition on the selected indicators. The data used for the various indicators was the most current at the time the report was prepared. The grades on this report card represent an average of the grades given by the Task Force members.

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The Southern California Association of Governments publishes the State of the Region, a report on Southern California. The complete report and report card are available at [www.scag.ca.gov/publications](http://www.scag.ca.gov/publications) which also includes information on purchasing hard copies. For questions on purchasing copies of the report, please contact SCAG staff at (213) 236-1929 or e-mail [gutierre@scag.ca.gov](mailto:gutierre@scag.ca.gov).